

AMENDED IN ASSEMBLY AUGUST 18, 2000

AMENDED IN ASSEMBLY AUGUST 7, 2000

AMENDED IN SENATE MARCH 27, 2000

SENATE BILL

No. 1566

Introduced by Senator Hayden

February 18, 2000

An act to add Section 54.1 to the Labor Code, relating to labor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1566, as amended, Hayden. Labor: working conditions: international trade agreements.

Existing law provides that one of the functions of the Department of Industrial Relations is to foster, promote, and develop the welfare of the wage earners of California, to improve their working conditions, and to advance their opportunities for profitable employment. Existing law delegates authority to the Director of Industrial Relations to carry out that function.

This bill would require the director to review and notify the Legislature of any proposed or executed international trade agreement that may adversely affect California law and regulations governing wages, working conditions, and workplace health and safety. The bill would require the director, along with the notices, to submit any recommendations to the Legislature to ensure that California's labor laws are not weakened by international trade agreements. *The bill would authorize the director to*

select for review trade agreements that meet specified criteria.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 54.1 is added to the Labor Code,
2 to read:

3 54.1. (a) The Legislature finds and declares all of the
4 following:

5 (1) International trade bodies such as the World Trade
6 Organization (WTO), and international trade
7 agreements, including the General Agreement on Tariffs
8 and Trade (GATT) and the North American Free Trade
9 Agreement (NAFTA), ~~were implemented without clear~~
10 ~~channels of access and review for California officials~~
11 ~~concerned with state~~ *have serious implications for*
12 *California laws and regulations governing wages,*
13 *working conditions, and workplace health and safety.*

14 (2) *The WTO and NAFTA implementing laws require*
15 *the federal government to consult with governors and*
16 *attorney generals in affected states. Federal law requires*
17 *the United States Trade Representatives (USTR) to*
18 *undertake a broader process of providing notice to states*
19 *on matters that will potentially have a direct impact and*
20 *provide an opportunity to submit, on a continuing basis,*
21 *information and advice on these matters.*

22 (3) *There is no mandate in law for exclusion of state*
23 *legislatures from this notification and consulting process.*
24 *The consultation process between the federal and state*
25 *governments, as required by WTO and NAFTA*
26 *protocols, has not included organized consultation with*
27 *the California Legislature.*

28 ~~(3)~~
29 (4) *California's role as a global leader in labor*
30 *standards, and the Legislature's role in enacting those*
31 *standards, is subject to challenge by international trade*
32 *agreements that presently exclude forums for review and*
33 *comment from local and state elected officials.*



(b) In order to address the concerns set forth in subdivision (a), the director shall review and notify the Legislature of any proposed or executed international trade agreement that may adversely affect California laws and regulations governing wages, working conditions, and workplace health and safety. Along with the notices, the director shall submit to the Legislature any recommendations to ensure that California's labor laws are not weakened by international trade agreements.

(c) For the review pursuant to subdivision (b), consistent with workload considerations, the director may select for review trade agreements that contain any of the following:

(1) General trade principles, including, but not limited to, the General Agreement on Tariffs and Trade (GATT 1994), of the WTO.

(2) Government procurement, including, but not limited to, the WTO General Agreement on Procurement and U.S. Annexes I and II and proposed Free Trade Area of the Americas (FTAA).

(3) The regulation of services, including, but not limited to, the WTO General Agreement on Trade in Services (GATS), NAFTA, and proposed FTAA.

(4) Subsidies, including, but not limited to, WTO Agreement on Subsidies and Countervailing Measures and proposed FTAA.

(5) Investment, including, but not limited to, WTO Agreement on Trade Related Investment Measures, NAFTA, and proposed FTAA.

(6) Trade in goods, including, but not limited to, WTO Agreement on Technical Barriers to Trade, WTO Agreement on Sanitary and Phytosanitary Measures, NAFTA, and proposed FTAA.